AMENDMENTS TO THE CLAIMS:

1. (Currently Amended) A method ~~of communicating, the method~~ comprising:

effecting communication between first and second radio transceivers via a telecommunications network over a first channel using a first communications module associated with the first radio transceiver;

determining the distance between the first and second radio transceivers;

determining whether the distance between the two transceivers meets a predetermined criterion in relation to a threshold; and

in response to a determination that the ~~threshold~~ criterion is met, changing from communicating between the first and second radio transceivers via the telecommunications network over the first channel using the first communications module to ~~effecting~~ communicate ~~direct mode communication~~ between the first and second radio transceivers in direct mode using a second communications module associated with the first radio transceiver over a second channel, the first and second channels being of different types.

2. (Original) A method as claimed in claim 1, in which the second channel has a greater bandwidth than the first channel.

3. (Previously Presented) A method as claimed in claim 1, further comprising, prior to the effecting direct mode communication step, estimating the quality of the second channel.

4. (Previously Presented) A method according to claim 1, in which the determining steps are carried out at the first radio transceiver.

5. (Previously Presented) A method according to claim 1, in which the distance determination step includes determining the locations of the first and second radio transceivers.

6. (Original) A method as claimed in claim 5, in which the location determination involves a satellite-based position system.

7. (Currently Amended) A method as claimed in claim [[1]] 5, in which the location determination involves triangulating from plural fixed radio transceivers, preferably forming part of the telecommunications network.

8. (Canceled)

9. (Previously Presented) A method as claimed in claim 1, in which the direct mode communication step is effected only if a bandwidth or other service demand exceeds the capability of the first channel.

10. (Previously Presented) A method as claimed in claim 1, in which the threshold is dependent on the sum of the radio coverage of the first and second radio transceivers.

11. (Currently Amended) A radio transceiver[[,]] comprising:

a ~~communicator~~ first communications module for communicating with a remote radio transceiver via a telecommunications network over a first channel;

a second communications module for communicating directly with a remote radio transceiver over a second channel, the first and second channels being of different channel types;

a determiner for determining the distance between the radio transceiver and the remote transceiver, and for determining whether the distance meets a predetermined threshold; and

a channel ~~charger, responsible~~ changer, responsive to a determination that the threshold is met, for changing from communicating with the first communications module via the telecommunications network over the first channel ~~effecting~~ to direct mode communication between the transceiver and the remote transceiver with the second communications module over ~~a~~ the second channel.

12. (Original)A radio transceiver as claimed in claim 11, in which the second channel has a greater bandwidth than the first channel.

13. (Previously Presented) A radio transceiver as claimed in claim 11, further comprising an estimator arranged to estimate the quality of the second channel.

14. (Previously Presented) A radio transceiver as claimed in claim 11, including a satellite positioning receiver, arranged to calculate the location of the transceiver.

15. (Canceled)

16. (Currently Amended) A system ~~for effecting communication between first and second radio transceivers,~~ comprising:

first and second radio transceivers, wherein the first radio transceiver comprises:

a ~~communicator~~ first communications module for effecting communication between the first and second radio transceivers over a first channel; and

a second communications module for communicating directly with a remote radio transceiver over a second channel, the first and second channels being of different channel types;

the system further comprising:

a determiner for determining the distance between the transceivers, and for determining if the distance meets a predetermined threshold; and

a channel ~~charger~~ changer responsive to a determination that the threshold is met, for changing from communicating with the first communications module via the telecommunications network over the first channel ~~effecting~~ to effect direct mode communication between the transceivers with the second communications module over ~~a~~ the second channel.

17. (New) A radio transceiver comprising:

a first means for communicating with a remote radio transceiver via a telecommunications network over a first channel;

a second means for communicating directly with a remote radio transceiver over a second channel, the first and second channels being of different channel types;

means for determining the distance between the radio transceiver and the remote transceiver, and for determining whether the distance meets a predetermined threshold; and

means, responsive to a determination that the threshold is met, for changing from communicating with the first means via the telecommunications network over the first channel to direct mode communication between the transceiver and the remote transceiver with the second means over the second channel.

18. (New) A radio transceiver as claimed in claim 17, in which the second channel has a greater bandwidth than the first channel.

19. (New) A radio transceiver as claimed in claim 17, further comprising an estimator arranged to estimate the quality of the second channel.

20. (New) A radio transceiver as claimed in claim 17, including a satellite positioning receiver, arranged to calculate the location of the transceiver.